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**BEFORE THE ARIZONA CORPORATION COMMISSION****COMMISSIONERS**

Arizona Corporation Commission

**DOCKETED****OCT 25 2005**

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

DOCKETED BY

IN THE MATTER OF THE APPLICATION OF  
CIRCLE CITY WATER COMPANY, LLC FOR  
APPROVAL OF A HOOK-UP FEE TARIFF.

DOCKET NO. W-03510A-05-0145

IN THE MATTER OF THE APPLICATION OF  
CIRCLE CITY WATER COMPANY, LLC FOR AN  
EXTENSION OF ITS EXISTING CERTIFICATE  
OF CONVENIENCE AND NECESSITY FOR  
WATER SERVICE.

DOCKET NO. W-03510A-05-0146

DECISION NO. **68246****OPINION AND ORDER**

DATE OF HEARING:

July 25, 2005

PLACE OF HEARING:

Phoenix, Arizona

ADMINISTRATIVE LAW JUDGE:

Yvette B. Kinsey

APPEARANCES:

Jay Shapiro, FENNEMORE CRAIG, on behalf  
of Circle City Water Company L.L.C.; and

Mr. David Ronald, Staff Attorney, Legal  
Division, on behalf of the Utilities Division of  
the Arizona Corporation Commission.

**BY THE COMMISSION:**

On March 2, 2005, Circle City Water Company, L.L.C. ("Circle City" or "Company") filed an application for an extension of its Certificate of Convenience and Necessity ("CC&N" or "Certificate") with the Arizona Corporation Commission ("Commission") to provide public water service to a development known as Lake Pleasant 5000 in Maricopa County. Also on March 2, 2005, Circle City filed an application for approval for a Hook-Up Fee Tariff ("Hook-Up Fee") related to the above referenced project.

On March 14, 2005, Circle City filed a Motion to Consolidate the above-referenced applications and the request was granted by Procedural Order issued on April 4, 2005.

On March 30, 2005, the Commission's Utilities Division Staff ("Staff") filed a Letter of Insufficiency in this docket.

1 On April 14, 2005, the Company filed a Notice of Filing Amended Legal Description.

2 On May 5, 2005, Circle City docketed its Response to Staff's Data Request.

3 On May 6, 2005, Staff issued notice that the application had met the sufficiency requirements  
4 of A.A.C. R14-2-411(C).

5 On May 11, 2005, a Procedural Order was issued setting a hearing on July 25, 2005 on the  
6 application and also setting associated procedural deadlines including the publication of notice of the  
7 hearing.

8 On June 28, 2005, Staff filed its Staff Report, recommending approval of the application,  
9 subject to certain conditions.

10 On June 28, 2005, the Company filed its Certification of Publication and Proof of Mailing.

11 On July 6, 2005, Circle City filed a Response to Staff's Report, opposing Staff's  
12 recommendation that the Company show a "positive impact" on existing customers by the addition of  
13 the new water facilities necessary to serve the new CC&N in the Company's next rate case.

14 On July 8, 2005, Gale Graves, a residential customer, filed a Motion to Intervene and her  
15 Motion was granted by Procedural Order issued on July 22, 2005.

16 On July 8 and 12, 2005, several existing customers filed letters in this docket.

17 On July 12, 2005, Harry Dame, Fire Chief of Circle City/Morristown Volunteer Fire  
18 Department, filed a Motion to Intervene and his Motion was granted by Procedural Order issued on  
19 July 20, 2005.

20 On July 19, 2005, Staff docketed a Supplemental Staff Report, recommending approval  
21 subject to additional compliance issues.

22 On July 25, 2005, a full public hearing was convened before a duly authorized Administrative  
23 Law Judge of the Commission at its offices in Phoenix, Arizona. The Company and Staff appeared  
24 with counsel and presented evidence and testimony. Several members of the public appeared and  
25 gave public comment. During the hearing, the Company's witness addressed several compliance  
26 issues that were raised by Staff. Specifically, Staff believed the Company was in noncompliance  
27 with all of the requirements set forth in Decision Nos. 64570, 65221, 58763 and 63982. The parties  
28 agreed that the Company would submit a late-filed exhibit demonstrating compliance with the above

1 referenced matters, a late-filed exhibit regarding recent water outages and the Company's  
 2 Interconnection Agreement. Staff agreed to file a response to both the compliance issues and the  
 3 water outage analysis. All matters were taken under advisement at the conclusion of the hearing.

4 On August 8, 2005, Circle City filed a Notice of Late-Filed Exhibit which contained a Report  
 5 on the 2005 Service Interruptions and a revised Water Master Plan for the Lake Pleasant 5000  
 6 extension area.

7 On August 11, 2005, Circle City filed correspondence directed to Arizona Public Service  
 8 ("APS") regarding the Company's recent service interruptions.

9 On August 15, 2005, Staff filed its Response to Late-filed Exhibits filed by Circle City.

10 \* \* \* \* \*

11 Having considered the entire record herein and being fully advised in the premises, the  
 12 Commission finds, concludes, and orders that:

### 13 FINDINGS OF FACT

14 1. Pursuant to authority granted by the Commission, Circle City is an Arizona  
 15 Corporation engaged in the business of providing water service to approximately 169 customers  
 16 within portions of Maricopa County.

17 2. Circle City received is CC&N in Decision No. 31121 (August 15, 1958) as Circle City  
 18 Development Company. Circle City Development Company was transferred to Consolidated Water  
 19 Company in 1964 and by Commission Decision No. 51286 (August 8, 1980) transferred to  
 20 Consolidated Water Co., LTD. In Commission Decision No. 59754 (July 18, 1996), Consolidated  
 21 Water Company LTD transferred its assets and Certificate of Convenience and Necessity to Brooke  
 22 Water L.L.C. Brook Water L.L.C. operated the company as the Circle City Division and in  
 23 Commission Decision No. 60972 (June 16, 1998), the Circle City Division's assets and CC&N were  
 24 transferred to Circle City Water Company, L.L.C. Circle City is now owned by Brooke Resources  
 25 L.L.C., the sister company of Brooke Water L.L.C.

26 3. Circle City provides water services for both residential and commercial properties.

27 4. Circle City currently operates under rates effective January 1, 1998 granted in  
 28 Decision No. 55839.

1           5.     On March 2, 2005, the Company filed an application for an extension of its Certificate  
2 for water services to include a development known as Lake Pleasant 5000 ("Development"), located  
3 in Maricopa County approximately one mile north of the State highway 74 and 211<sup>th</sup> Avenue.  
4 Additionally, the extension area includes 160 acres at the northwest corner of 235<sup>th</sup> Avenue and Joy  
5 Ranch Road in Maricopa County. A legal description of both proposed extension areas is attached  
6 hereto and incorporated herein by reference as set forth in Exhibit A.

7           6.     Notice of the Application was provided in accordance with the law.

8           7.     On June 28, 2005, Staff filed its Staff Report recommending approval of the  
9 application subject to certain conditions.

10          8.     On July 19, 2005, Staff filed a Supplemental Staff Report again recommending  
11 approval of the application, but included additional compliance issues.

12          9.     Harvard Investments ("Developer") has requested Circle City extend its water service  
13 to approximately 10,000 residential and commercial units in a 5,000 acre planned development. The  
14 proposed main extension area is five miles northeast of Circle City's certificated area and is not  
15 adjacent to it. The additional 160 acres in the proposed extension area is adjacent at one point to  
16 Circle City's certificated area.

17          10.    Circle City's existing system is comprised of one well producing 110 gallons per  
18 minute, a 50,000 gallon storage tank, a booster system and a distribution system serving 169  
19 customers.

20          11.    The proposed new water system will be comprised of 11 wells, an 8.0 million gallon  
21 per day Central Arizona Project ("CAP") water treatment plant, storage tank capacity totaling 7.6  
22 million gallons and a distribution system. The cost of the proposed plant facilities is estimated to be  
23 approximately \$55.4 million, consisting of \$30.0 million for off-site facilities and \$25.4 million for  
24 on-site facilities.

25          12.    Staff believes the proposed cost estimates and plant items are reasonable.

26          13.    Several members of the public appeared for the hearing and gave public comment  
27 regarding the proposed applications. Generally, the members of the public raised concerns that the  
28 water supply may be insufficient to handle the extension area as they had recently experienced low-

1 level water pressure and some water outages.

2 14. Fire chief for the Circle City/Morristown Fire Department, raised concerns that there  
3 are no fire hydrants in the existing neighborhoods and there are no plans for fire hydrants in the  
4 extension areas. Further, he stated that the water tank capacity was insufficient and an increase in  
5 capacity would ensure better fire protection.

6 15. A resident of Circle City and elected official of the Circle City Morristown Fire  
7 Department, was also concerned about the sufficiency of the water and recent water outages. She  
8 stated her neighborhood had experienced at least five or six service interruptions in the last six  
9 months either where there was no water or very little water pressure.

10 16. During the hearing the Company's witness responded to the public comments.  
11 Regarding the sufficiency issue he stated that having a good functioning water system with sufficient  
12 water supply is the Company's primary concern. He concurred that the Company had recently  
13 experienced some low-level water pressure and water outages in recent months. He further testified  
14 the Company believed the problem was related to fluctuations in the power service coming into the  
15 transformer, which powers the electrical systems and the pumps for the water system. He testified  
16 that the Company believed that the variations in power caused the water system to shutdown, but that  
17 the system was functioning properly because it was designed to shutdown in the event of power  
18 surges. Additionally, the Company's witness stated that the Company was working with APS to  
19 determine the source of the problem and that APS had installed a "chart recorder" to record the power  
20 fluctuations. The Company agreed to provide the chart recorder data and outage analysis to the  
21 Commission as a late-filed exhibit. Staff was ordered to file a Response to the Company's water  
22 outage analysis.

23 17. The Company's witness further testified that the Company rented generators, at a cost  
24 of \$8,000 for seven or eight days, to maintain service to its customers during the recent outages.  
25 However, the witness stated that water companies are not required to have back up generators  
26 according to regulations and generally small water companies do not have them because they are not  
27 a "useful" expense and the cost is not recoverable.

28 18. The Company's witness stated that existing customers should benefit from an

1 interconnection to the new CC&N water system because of the additional wells, booster pumps,  
2 water storage tanks and the connection to the CAP water treatment plant.

3 19. The Company's witness also addressed the fire hydrant issue and stated not having fire  
4 hydrants was problematic not only in protecting the Company's infrastructure, but also for the people  
5 living in the community. Further, the witness testified the Company does not currently have an  
6 approved tariff to provide fire protection and that there would need to be changes made to the  
7 infrastructure in order to make fire protection effective. He stated that the Company was willing to  
8 enter into dialogue with the fire department to discuss fire protection in the existing neighborhoods  
9 and the extension areas to see if a workable solution could be reached.

10 20. In regards to the storage tank capacity issue, Staff's witness testified that when Staff  
11 calculated the storage tank capacity according to Arizona Department of Environmental Quality's  
12 ("DEQ") standard it showed that the Company was about 5,000 gallons short in its capacity, instead  
13 of the 35,000 gallon shortage that Staff had reported in its Staff Report. Staff's witness concluded  
14 that the 5,000 gallon shortage was not significant enough to conclude that the Company did not have  
15 adequate storage for its existing customers.

16 21. Staff concluded that the proposed new water system will have adequate production  
17 and storage capacity to serve existing customers and new customers in the CC&N extension areas.

18 22. Staff made no "used and useful" determination of the proposed plant facilities and no  
19 particular treatment should be inferred for rate making or rate base purposes.

20 23. Staff's Report stated that the Company was delivering water that meets water quality  
21 standards for Maricopa County Environmental Services Department. Staff recommended that the  
22 Company file with Docket Control its copies of the developer's Certificate of Assured Water Supply  
23 for the requested area within 24 months of a Decision in this matter. At the hearing, the Company's  
24 witness raised concerns that the Company may not be able to comply with Staff's recommendation  
25 because the project is scheduled in phases. Staff proposed modifying the language to read "the  
26 Company should file with Docket Control copies of the developer's Certificate of Assured Water  
27 Supply, for Phase 1 of the project, where applicable or when required by statute within 24 months of  
28 a Decision in this matter." The Company agreed with Staff's modified language.

1       24.     Circle City is located within the Phoenix Active Management Area ("ADWR"). Circle  
2 City is in compliance with its reporting and conservation requirements according to ADWR.

3       25.     According to the Utilities Division Compliance Section there were no outstanding  
4 compliance issues for Circle City.

5       26.     The U.S. Environmental Protection Agency ("EPA") has reduced the arsenic MCL in  
6 drinking water from 50 micrograms per liter ("ug/l") or parts per billion ("ppb") to 10 ug/l by January  
7 23, 2006. Staff analyzed Circle City's arsenic level and concluded that the Company's arsenic level  
8 was 3 ppm and below the EPA's MCL.

9       27.     Circle City does not have a Curtailment Plan Tariff. Staff recommends that Circle  
10 City file a Curtailment Plan to manage water shortages due to breakdowns, droughts, or other  
11 unforeseen events.

12       28.     The Company will provide service to the extension areas at its existing rates and  
13 charges on file with the Commission for its existing system.

14       29.     Circle City does not have a franchise agreement with Maricopa County for the  
15 proposed extension areas. Staff recommends that Circle City file a copy of the County Franchise  
16 Agreement for the extension within 365 days of the Decision in this matter.

17       30.     On August 8, 2005, Circle City filed a Late-Filed Exhibit that included a Report on the  
18 2005 Service Interruptions and a Water Master Plan for the Development. In the Service Interruption  
19 report the Company and APS concluded that the power fluctuations were caused by a faulty  
20 substation voltage regulator that was operating improperly. According to the Company's report, APS  
21 was redirecting power to the demand area to balance out the fluctuations and that APS had plans to  
22 replace the faulty regulator as soon as possible. Both the Company and APS believed that replacing  
23 the faulty regulator would correct the low-level water pressure and water outages that were affecting  
24 the Company. Additionally, the Company provided the Developer's Water Master Plan as a late-filed  
25 exhibit which showed an anticipated interconnection between the existing water system and the  
26 proposed new water system. See Exhibit B attached hereto and incorporated herein by reference.

27       31.     In Staff's Response to the Company's late-filed exhibits Staff concluded that the  
28 Company's explanation and analysis of the outages and the water master plan for the interconnection

1 between the existing water system and the proposed water facility were reasonable.

2 32. On March 2, 2005, the Company filed an application for approval of a Hook-Up Fee  
3 Tariff.

4 33. Staff recommends a \$1,500 hook-up fee for all new 5/8 x 3/4 inch service connections.  
5 This hook-up fee will generate approximately \$15 million in capital from Circle City's proposed new  
6 service connections or approximately 27 percent of its total anticipated construction costs. Staff  
7 reasoned that the \$1,500 hook-up fee should be considered a non-refundable Contribution in Aid of  
8 Construction therefore balancing the capital structure of the Company and preventing an overly  
9 subsidized private water company. Staff's proposed Hook-Up Fee Tariff is set forth below:

10  
11 **OFF-SITE HOOK-UP FEE**

Meter Size	Size Factor	Total Fee
5/8" x 3/4"	1	\$ 1,500.00
3/4"	1.5	\$ 2,250.00
1"	2.5	\$ 3,750.00
1 1/2"	5	\$ 7,500.00
2"	8	\$12,000.00
3"	16	\$24,000.00
4"	25	\$37,500.00
6" or Larger	50	\$75,000.00

18  
19 34. The Company did not oppose Staff's Hook-Up Fee Tariff.

20 35. Staff recommends approval of the Circle City's application for the extension of its  
21 CC&N and approval of its Hook-Up Fee Tariff subject to the following conditions:

- 22 1. Circle City should file with Docket Control a copy of the Approval to  
23 Construct for Phase I of this project within 24 months of a Decision in this  
24 matter.
- 25 2. Circle City should charge its authorized rates and charges in the extension area.
- 26 3. Circle City should file with Docket Control copies of the developer's  
27 Certificate of Assured Water Supply for Phase I of this project where  
28 applicable or when required by statute within 24 months of a Decision in this



1 matter.

2 4. Within 45 days of the effective date of the Order issued in this proceeding,  
3 Circle City should file a Curtailment Plan Tariff and docket it as a compliance  
4 item in this docket for review and certification by Staff.

5 5. The Hook-up fee Tariff should be set at \$1,500 for all new 5/8 x 3/4 service  
6 connections, and graduated for larger meter sizes as reflected in Finding of  
7 Fact No. 33.

8 6. Circle City should file a copy of the county franchise agreement for the  
9 extension area with Docket Control within 365 days of a Decision in this  
10 matter.

11 7. Circle City must demonstrate in its next rate case filing that its existing 169  
12 customers will be positively impacted by the addition of the new water  
13 facilities necessary to serve the new CC&N.

14 8. Circle City must also provide a complete summary of its accounting for CAP  
15 M&I capital charges in its next rate case.

16 36. Staff further recommends that the Commission's approval of the extension of the  
17 Certificate should be rendered null and void without further Order from the Commission should the  
18 Company fail to meet any of the above conditions within the time specified.

19 37. The Company opposed Staff's condition that it must demonstrate in its next rate case  
20 filing that its existing 169 customers will be "positively impacted" by the addition of the new water  
21 facilities necessary to serve the new CC&N. In its Response, the Company asserted that the public  
22 interest standard was met by the affirmative showing of a public need and Staff's analysis that Circle  
23 City was a fit and proper entity to provide reliable water utility service at a reasonable rate. At the  
24 hearing Staff argued that its recommendation was designed to ensure that existing customers received  
25 the same benefits that new customers would experience under the new CC&N. Staff's witness further  
26 testified that the Company did not file for new rates for the extension area and therefore Staff wanted  
27 some assurance that existing customers were protected.

28 38. In addressing the "positive impact" part of its recommendation, Staff's witness

1 described benefits such a interconnection agreement and improved water quality by installing a CAP  
2 water treatment plant as items the Company could point to show a positive impact on existing  
3 customers. But Staff's witness noted the benefits should not be limited to those items and that the  
4 Company was in the best position to determine what "positive impact" there was on existing  
5 customers. The Company argued that the standard Staff should have been proposing was that there  
6 was no negative impact on existing customers instead of a positive impact. The Company also argued  
7 that there was no Commission rule or statute that supported Staff's recommendation. Staff argued  
8 that the public interest is broadly defined and therefore the Company should be ordered to show  
9 positive impact at its next rate case.

10 39. Here, existing customers raised concerns that the level of service would decrease as a  
11 result of the addition of the extension area. Existing customers reported water outages, low-level  
12 water pressure and the lack of fire hydrants in their communities at the present time. The Company's  
13 proposed new extension of its CC&N and new water facilities is an opportunity to make positive  
14 changes for both existing and new customers by ensuring that there is a balanced level of service for  
15 all customers. With the new water facilities existing customers will benefit from the interconnection  
16 to a new water system. At the same time the infrastructure is being built the Company has the  
17 opportunity to build a system that will provide adequate water storage capacity, fire protection and  
18 eliminate the need for back up generators. The Company can also look at issues like redundancy in  
19 the system to help avoid water outages. Therefore, in an effort to ensure that existing customers  
20 receive a comparable level of service as new customers obtained through the granting of the CC&N  
21 extension this order finds that Staff's recommendation that the Company show a "positive impact" on  
22 its existing customers at its next rate case is in the public interest and is reasonable.

23 40. Because an allowance for the property tax expense of the Company is included in the  
24 Company's rates and will be collected from its customers, the Commission seeks assurances from the  
25 Company that any taxes collected from ratepayers have been remitted to the appropriate taxing  
26 authority. It has come to the Commission's attention that a number of water companies have been  
27 unwilling or unable to fulfill their obligation to pay the taxes that were collected from ratepayers,  
28 some for as many as twenty years. It is reasonable, therefore, that as a preventive measure the

1 Company shall annually file, as part of its annual report, an affidavit with the Utilities Division  
2 attesting that the company is current in paying its property taxes in Arizona.

3 41. Staff's recommendations in Findings of Fact Nos. 35 and 36 are reasonable.

4 **CONCLUSIONS OF LAW**

5 1. Applicant is a public service corporation within the meaning of Article XV of the  
6 Arizona Constitution and A.R.S. §§ 40-281, 40-282 and 40-252.

7 2. The Commission has jurisdiction over the Company and the subject matter of the  
8 application.

9 3. Notice of the application was provided in accordance with the law.

10 4. There is a public need and necessity for water utility service in the proposed service  
11 area described in Exhibit A.

12 5. Applicant is a fit and proper entity to receive an extension of its Certificate.

13 6. The application to extend the Certificate for the area described in Exhibit A should be  
14 granted subject to the conditions set for in Findings of Fact Nos. 35 and 36 above.

15 **ORDER**

16 IT IS THEREFORE ORDERED that the application of Circle City Water Company, LLC for  
17 an extension of its Certificate of Convenience and Necessity to include the area described in Exhibit  
18 A, attached hereto and incorporate herein by reference, is hereby granted subject to compliance with  
19 the following ordering paragraphs.

20 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall charge the  
21 customers in the area more fully described in Exhibit A, its existing Maricopa rates and charges until  
22 further ordered by the Commission.

23 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall file with Docket  
24 Control copies of the Certificate of Approval to Construct for Phase 1 of the project which shall  
25 include the proposed interconnection contained in Exhibit B within 24 months of this Decision.

26 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall file a copy of the  
27 Developer's Assured Water Supply for Phase 1 of this project with the Commission, where  
28 applicable or when required by statute within 24 months of this Decision.

1 IT IS FURTHER ORDERED that within 45 of the effective date of this Decision, Circle City  
2 Water Company, LLC shall file a Curtailment Plan Tariff and docket it as a compliance item in this  
3 docket for review and certification by Staff.

4 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall file a copy of the  
5 county franchise agreement for the extension area with Docket Control within 365 days of this  
6 Decision.

7 IT IS FURTHER ORDERED that if Circle City Water Company, LLC fails to meet the above  
8 conditions within the time specified, this Decision is deemed null and void without further Order of  
9 the Arizona Corporation Commission.

10 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall demonstrate in its  
11 next rate case filing that its existing 169 customers have been positively impacted by the addition of  
12 the new water facilities necessary to serve the extension area.

13 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall file a rate review  
14 application with the Director of the Utilities Division by no later than three years from the effective  
15 date of this Decision.

16 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall charge a Hook-Up  
17 Fee of \$1,500 for all new 5/8 x 3/4 service connections and graduated for larger meter sizes as  
18 reflected in Findings of Fact No. 33 and the Hook-Up Fee shall be considered a non-refundable  
19 Contribution in Aid of Construction.

20 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall file in Docket  
21 Control, an Off-Site Hook-Up Fee Tariff Schedule conforming to the form of tariff attached as  
22 reflected in Staff's Engineering Report.

23 IT IS FURTHER ORDERED that Circle City Water Company, LLC shall submit a calendar  
24 year Off-Site Hook-Up Fee status report each January 31<sup>st</sup> to Docket Control for the prior twelve (12)  
25 month period, beginning January 31, 2006, until the hook-up fee tariff is no longer in effect. This  
26 status report shall contain a list of all customers that have paid the hook-up fee tariff, the amount each  
27 has paid, the amount of money spent from the account, the amount of interest earned on the tariff  
28 account, and a list of all facilities that have been installed with the tariff funds during the 12 months

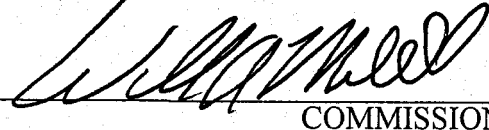
period.

IT IS FURTHER ORDERED that Circle City Water Company, LLC shall annually file as part of its annual report, an affidavit with the Utilities Division attesting that the Company is current in paying its property taxes in Arizona.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

  
CHAIRMAN

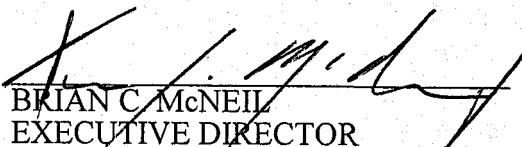
  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 25<sup>th</sup> day of Oct., 2005.

  
BRIAN C. McNEIL  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

1 SERVICE LIST FOR:

Circle City Water Company

2 DOCKET NO.:

W-03510A-05-0146 and W-03510A-05-0145

3  
4 Jay L. Shapiro  
5 Fennemore Craig  
6 3003 North Central Avenue  
7 Suite 2600  
8 Phoenix, Arizona 85012

9  
10 Gale Graves  
11 144 Peretz Circle  
12 Morristown, AZ 85342

13  
14 Harry Dame  
15 P.O. Box 26  
16 Morristown, Arizona 85342

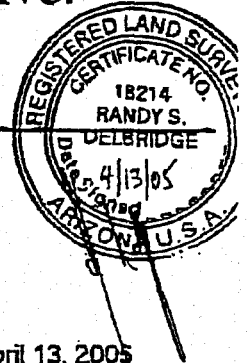
17  
18 Christopher Kempley, Chief Counsel  
19 Legal Division  
20 ARIZONA CORPORATION COMMISSION  
21 1200 West Washington Street  
22 Phoenix, Arizona 85007

23  
24 Ernest Johnson, Director  
25 Utilities Division  
26 ARIZONA CORPORATION COMMISSION  
27 1200 West Washington Street  
28 Phoenix, Arizona 85007

***SOUTHWESTERN STATES SURVEYING, INC.***

Professional Land Surveying

Randy S. Delbridge, President

21415 North 23rd Avenue • Phoenix, Arizona 85027  
Phone (623) 869-0223 Fax (623) 869-0725DESCRIPTION  
FOR  
TOTAL AREA

Job no. 210750

April 13, 2005

Being all of Sections 5, 6, 7, 8, 9, 17, 18 and a portion of Section 4, Township 6 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

BEGINNING at the Southwest corner of said Section 18, being a G.L.O. Brass Cap;  
 THENCE North 00 degrees 01 minutes 37 seconds East, along the West line of the Southwest quarter of said Section 18 a distance of 2640.12 feet to the West quarter corner of said Section 18, being a G.L.O. Brass Cap;  
 THENCE North 00 degrees 02 minutes 20 seconds West, along the West line of the Northwest quarter of said Section 18 a distance of 2639.18 feet to the Northwest corner of said Section 18, being a G.L.O. Brass Cap;  
 THENCE North 00 degrees 00 minutes 00 seconds East, along the West line of said Section 7, a distance of 5284.62 feet to the Northwest corner of said Section 7, being a G.L.O. Brass Cap;  
 THENCE North 00 degrees 07 minutes 21 seconds East, along the West line of the Southwest quarter of said Section 6 a distance of 2640.71 feet to the West quarter corner of said Section 6, being a G.L.O. Brass Cap;  
 THENCE North 00 degrees 07 minutes 15 seconds West, along the West line of the Northwest quarter of said Section 6 a distance of 2636.20 feet to the Northwest corner of said Section 6, being a G.L.O. Brass Cap;  
 THENCE South 89 degrees 55 minutes 08 seconds East, along the North line of the Northwest quarter of said Section 6 a distance of 2499.21 feet to the North quarter corner of said Section 6, being a G.L.O. Brass Cap;  
 THENCE South 89 degrees 10 minutes 12 seconds East, along the North line of the Northeast quarter of said Section 6 a distance of 498.80 feet to the South quarter corner of Section 31, Township 7 North, Range 2 West, being a G.L.O. Brass Cap;  
 THENCE North 89 degrees 50 minutes 21 seconds East, continuing along the North line of the Northeast quarter of said Section 6 a distance of 2140.86 feet to the Northeast corner of Section 6, being a G.L.O. Brass Cap;  
 THENCE South 89 degrees 53 minutes 38 seconds East, along the North line of the Northwest quarter of said Section 5 a distance of 501.45 feet to the Southwest corner of said Section 32, Township 7 North, Range 2 West, being a G.L.O. Brass Cap;  
 THENCE South 89 degrees 54 minutes 32 seconds East, continuing along the North line of the Northwest quarter of said Section 5 a distance of 2148.21 feet to the North quarter corner of Section 5, being a G.L.O. Brass Cap;  
 THENCE North 89 degrees 07 minutes 14 seconds East, along the North line of the Northeast quarter of said Section 5 a distance of 499.67 feet to the South quarter corner of Section 32, Township 7 North, Range 2 West being a G.L.O. Brass Cap;  
 THENCE South 89 degrees 43 minutes 38 seconds East, continuing along the North line of the Northeast quarter of said Section 5 a distance of 2148.06 feet to the Northeast corner of said Section 5, being a G.L.O. Brass Cap;

Page 2

## Total Description

THENCE North 89 degrees 58 minutes 03 seconds East, along the North line of the Northwest quarter of said Section 4 a distance of 497.01 feet to the Southwest corner of Section 33, Township 7 North, Range 2 West, being a G.L.O. Brass Cap;

THENCE South 89 degrees 57 minutes 12 seconds East, continuing along the North line of the Northwest quarter of said Section 5 a distance of 823.19 feet to the Northeast corner of G.L.O. Lot 4;

THENCE South 00 degrees 10 minutes 24 seconds East, along the East line of said Lot 4 a distance of 1352.71 feet to the Southeast corner of said Lot 4;

THENCE North 89 degrees 58 minutes 56 seconds East 2637.17 feet;

THENCE South 00 degrees 11 minutes 19 seconds East 660.77 feet;

THENCE North 89 degrees 57 minutes 42 seconds East 989.08 feet;

THENCE South 00 degrees 11 minutes 32 seconds East 660.42 feet;

THENCE North 89 degrees 56 minutes 29 seconds East 329.71 feet to the East quarter corner of said Section 4;

THENCE South 00 degrees 11 minutes 37 seconds West, along the East line of the Southeast quarter of said Section 4 a distance of 2641.22 feet to the Southeast corner of said Section 4, being a G.L.O. Brass Cap;

THENCE South 00 degrees 02 minutes 31 seconds West, along the East line of the Northeast quarter of said Section 9 a distance of 2636.28 feet to the East quarter corner of said Section 9, being a G.L.O. Brass Cap;

THENCE South 00 degrees 03 minutes 39 seconds West, along the East line of the Southeast quarter of said Section 9 a distance of 2635.65 feet to the Southeast corner of said Section 9, being a G.L.O. Brass Cap;

THENCE North 89 degrees 55 minutes 39 seconds West, along the South line of the Southeast quarter of said Section 9 a distance of 2636.76 feet to the South quarter corner of Section 9, being a G.L.O. Brass Cap;

THENCE North 89 degrees 54 minutes 43 seconds West, along the South line of the Southwest quarter of said Section 9 a distance of 2639.18 feet to the Southwest corner of Section 9, being a G.L.O. Brass Cap;

THENCE South 00 degrees 10 minutes 03 seconds West, along the East line of the Northeast quarter of said Section 17 a distance of 2637.41 feet to the East quarter corner of said Section 17, being a G.L.O. Brass Cap;

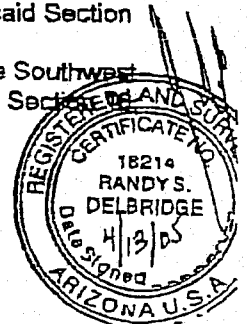
THENCE South 00 degrees 10 minutes 03 seconds West, along the East line of the Southeast quarter of said Section 17 a distance of 2637.41 feet to the Southeast corner of said Section 17, being a G.L.O. Brass Cap;

THENCE North 89 degrees 40 minutes 41 seconds West, along the South line of the Southeast quarter of said Section 17 a distance of 2638.22 feet to the South quarter corner of said Section 17, being a G.L.O. Brass Cap;

THENCE North 89 degrees 54 minutes 18 seconds West, along the South line of the Southwest quarter of said Section 17 a distance of 2640.09 feet to the Southwest corner of Section 17, being a G.L.O. Brass Cap;

THENCE North 89 degrees 57 minutes 37 seconds West, along the South line of the Southeast quarter of said Section 18 a distance of 2640.12 feet to the South quarter corner of said Section 18, being a G.L.O. Brass Cap;

THENCE North 89 degrees 55 minutes 11 seconds West, along the South line of the Southwest quarter of said Section 18 a distance of 2514.54 feet to the Southwest corner of said Section 18, being the Point of Beginning.





THE SOUTHEAST QUARTER OF SECTION 28  
LEGAL DESCRIPTION

THE SOUTHEAST QUARTER OF SECTION 28, TOWNSHIP 6 NORTH, RANGE 3  
WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY,  
ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 28, MONUMENTED BY A  
G.L.O. BRASS CAP:

THENCE NORTH 89°59'07" WEST ALONG THE SOUTH LINE OF THE SOUTHEAST  
QUARTER OF SAID SECTION 28, ALSO BEING THE BASIS OF BEARING, A  
DISTANCE OF 2644.53 FEET TO THE SOUTH QUARTER CORNER OF SECTION 28  
MONUMENTED BY A G.L.O. BRASS CAP

THENCE NORTH 00°01'21" WEST ALONG THE NORTH-SOUTH MID-SECTION LINE  
OF SAID SECTION 28 A DISTANCE OF 2639.37 FEET TO THE CENTER OF  
SECTION OF SAID SECTION 28, MONUMENTED BY A REBAR WITH RLS 9087 CAP;

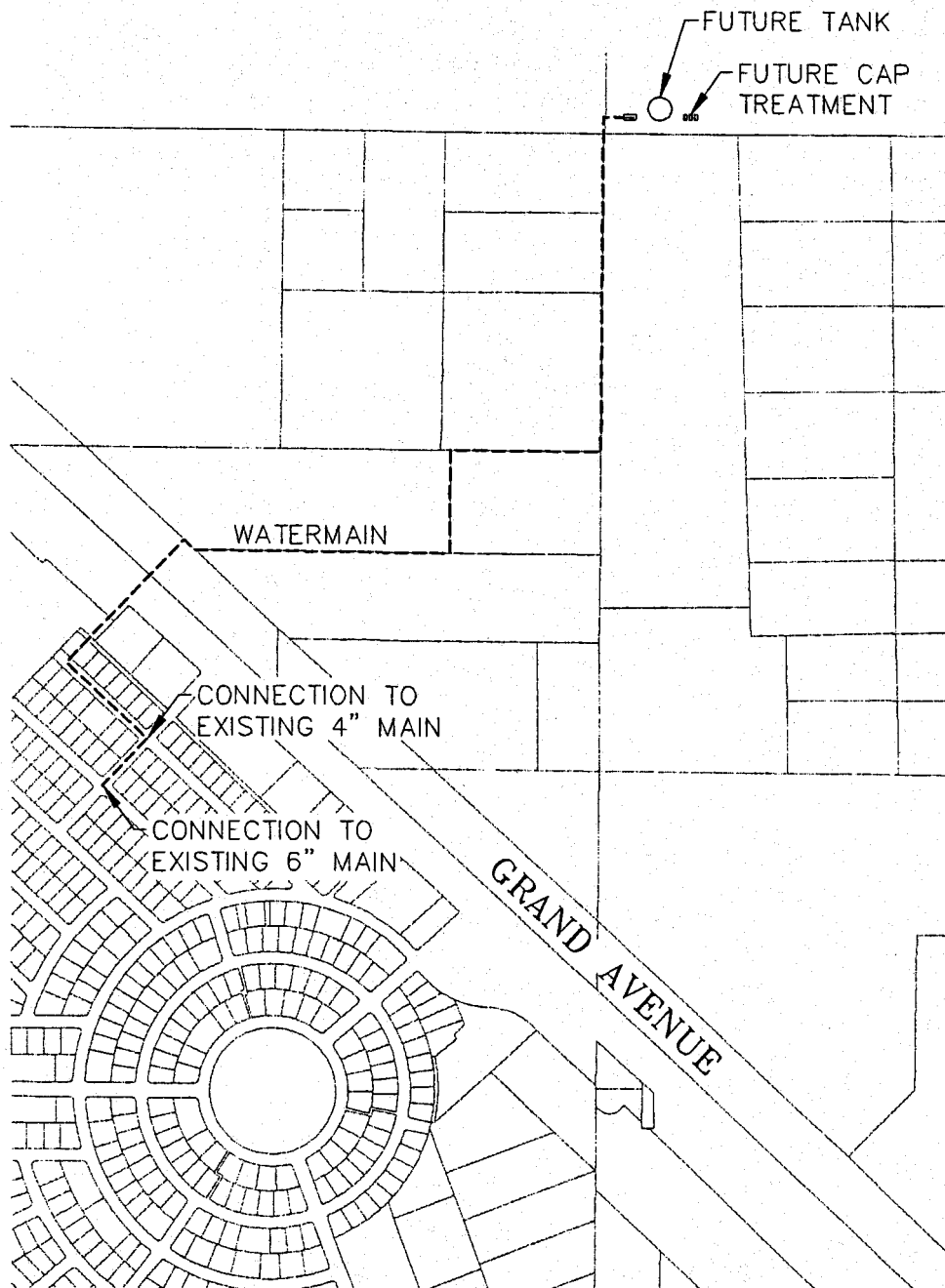
THENCE NORTH 89°58'37" EAST ALONG THE EAST-WEST MID-SECTION LINE A  
DISTANCE OF 2644.57 FEET TO THE EAST QUARTER CORNER OF SECTION 28,  
MONUMENTED BY A G.L.O. BRASS CAP;

THENCE SOUTH 00°01'17" EAST ALONG THE EAST LINE OF THE SOUTHEAST  
QUARTER OF SAID SECTION 28 A DISTANCE OF 2641.11 FEET TO THE  
SOUTHEAST CORNER OF SECTION 28, BEING THE POINT OF BEGINNING;

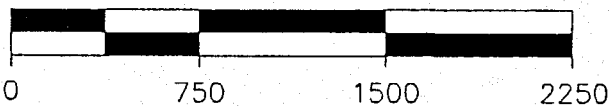
THE ABOVE DESCRIPTION BASED ON AN A.L.T.A SURVEY BY SOUTHWESTERN  
STATES SURVEYING, INC. DATED JUNE 28, 2004, JOB NUMBER 240694.



# LAKE PLEASANT 5,000/CIRCLE CITY INTERCONNECTION EXHIBIT



SCALE: 1" = 750'



**RBF**  
CONSULTING

PLANNING  
DESIGN  
CONSTRUCTION

H:\PDATA\45101888\CADD\WR\WATER\DLV\EXHIBITS\CCWATEREXH.DWG K MILLER 8/3/05 2:42 pm